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TRACEY C. GREEN  
ALAN WILSON  
SPECIAL COUNSEL

November 19, 2009

\*ALSO ADMITTED IN TX

**VIA HAND-DELIVERY**

The Honorable Charles L.A. Terreni  
Chief Clerk/Administrator  
**Public Service Commission of South Carolina**  
101 Executive Center Drive  
Columbia, South Carolina 29210

RECEIVED  
2009 NOV 19 AM 11:50  
SOUTH CAROLINA  
PUBLIC SERVICE  
COMMISSION

RE: Application of Carolina Water Service, Inc. for approval of a contract to serve property in York County, South Carolina.

Dear Mr. Terreni:

Enclosed for filing are the original and ten (10) copies of the Application of Carolina Water Service, Inc. in the above-referenced matter. By copy of this letter, I am serving a copy of these documents upon the Executive Director of the Office of Regulatory Staff and enclose a Certificate of Service to that effect.

I would appreciate your acknowledging receipt of this Application and Certificate by date-stamping the extra copies enclosed and returning the same to me via our courier.

If you have any questions or if you need any additional information, please do not hesitate to contact me.

Sincerely,

**WILLOUGHBY & HOEFER, P.A.**



Benjamin P. Mustian

BPM/cf  
Enclosures

cc: Honorable C. Dukes Scott

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION OF**  
**SOUTH CAROLINA**  
**DOCKET NO. 2009-\_\_\_\_-S**

RECEIVED  
2009 NOV 13 2:10:50  
SOUTH CAROLINA  
PUBLIC SERVICE  
COMMISSION

IN RE:

Application of Carolina Water Service,  
Inc. for approval of a contract to serve  
property in York County,  
South Carolina

**APPLICATION**

Carolina Water Service, Inc. ("Applicant" or "Utility") hereby submits a contract between it and Mr. Mahendra I. Patel ("Developer") for consideration by this Honorable Commission under Vol. 26 S.C. Code Ann. Regs. RR. 103-541 and 103-743 (Supp. 2008). In support of this Application, Applicant would respectfully show as follows:

1. Applicant is a public utility currently authorized to operate water and wastewater systems under the jurisdiction of the Public Service Commission of South Carolina ("Commission") in York County, as well as certain other counties in this state. Its corporate charter is presently on file with the Commission and an appropriate bond has been posted with same. A schedule of the current rates and charges for Applicant's water and wastewater service has previously been approved by the Commission in Docket No. 2006-92-W/S by way of Order No. 2008-855, dated December 30, 2008.

2. The Applicant seeks approval of an agreement entered into between Applicant and the Developer dated October 26, 2009, ("Agreement"), a copy of which is attached hereto and incorporated herein by reference as Exhibit "A." Under Article IV, §§ 1 and 2 of the Agreement, Applicant will provide water and wastewater utility service to the referenced

property pursuant to all of the terms, conditions, rates and charges set forth as are on file with this Commission and in effect from time to time.

3. Pursuant to this agreement, Applicant proposes to serve certain real estate parcels containing approximately 9.56 acres located on Pine Moss Lane in Lake Wylie, York County, South Carolina ("Property"). Developer desires to develop the Property into a residential development which, when completed, will contain four (4) single family residential homes. The Agreement provides, *inter alia*, that Developer will construct all of the necessary water distribution and wastewater collection facilities ("Facilities") required to serve the Property, interconnect the facilities with the Utility's existing water and wastewater systems, acquire all necessary easements and rights-of-way ("Easements") and convey such Facilities and Easements to Applicant. Performance of the Agreement is conditioned upon its approval by this Commission.

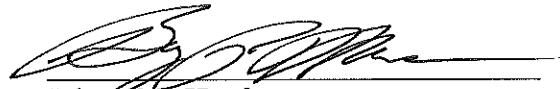
4. The Property is within Applicant's Commission authorized Service Area in York County. Accordingly, no other public utility is authorized to serve the proposed development.

5. Pursuant to Article II, § 15 of the Agreement, the Developer has agreed to pay to the Utility water and wastewater service connection and plant impact fees based upon an estimated four (4) single family equivalent connections to serve the Property. Pursuant to Article II, § 14 of the Agreement, Applicant has agreed to reserve adequate water and wastewater utility capacity for up to four (4) water and wastewater connections located within the Property. Applicant submits that this provision is warranted and in the public interest as the terms of this contract allow the Utility to adequately engage in planning for operations.

6. Applicant submits that the public convenience and necessity will be served by the approval of this Agreement. Applicant further submits that no hearing in this matter is required. See S.C. Code Ann. § 58-5-240(G) (Supp.2008).

7. All correspondence and communications regarding this matter should be sent to the undersigned.

WHEREFORE, having fully set forth its Application, Applicant prays that the Agreement be approved, that a hearing on the within matter be waived or review of the within application be expedited, and that Applicant be granted such other and further relief as the Commission may deem just and proper.



John M.S. Hoefer  
Benjamin P. Mustian  
**WILLOUGHBY & HOEFER, PA**  
Post Office Box 8416  
Columbia, South Carolina 29202-8416  
803-252-3300

Attorneys for Applicant  
Carolina Water Service, Inc.

Columbia, South Carolina  
This 19<sup>th</sup> day of November, 2009

**AGREEMENT FOR WATER AND SEWER SERVICE**  
**WATER AND SEWER SERVICE EXTENSION**  
**PINE MOSS LANE**  
**YORK COUNTY, SC**

This Agreement is entered into this 26<sup>th</sup> day of October 2009 by and between Mr. ~~MP~~ <sup>Mahendra</sup> Patel (hereinafter referred to as "Developer"), and Carolina Water Service, Inc., a Delaware corporation authorized to do business in South Carolina (hereinafter referred to as "Utility").

**WITNESSETH**

WHEREAS, Developer is the owner of certain real estate parcels containing approximately 9.56 acres (Tax Parcel No's. 5760000133, 5760000134, 5760000135 and 5760000100), and the portions of which are being developed are located on Pine Moss Lane in Lake Wylie, York County, South Carolina, hereinafter referred to as the "Property" (see "Exhibit 1"); and,

WHEREAS, Developer desires to develop the Property into a residential development which will contain four (4) single family residential homes when completed; and,

WHEREAS, Utility is a public utility engaged in the business of furnishing water and sewer service to the public in its designated River Hills / Lake Wylie Franchised Service Territory located in York County and Property is located within the service territory. The Utility desires to have constructed and installed, and the Developer desires to construct and install, the water distribution and wastewater collection facilities to serve the Property subject to the terms and conditions of this Agreement; and,

WHEREAS, Developer desires Utility to provide water and wastewater utility service within the Property and Utility desires to provide water and wastewater utility service according to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants as hereinafter set forth, the parties hereto agree as follows:

**ARTICLE I**

**Representations and Warranties of Developer**

Developer represents and warrants that:

1. Developer is the owner of or is duly authorized to act on behalf of the owner(s) of the Property; and,
2. Developer will cooperate fully with the Utility in any and all applications or petitions to

- public authorities deemed necessary or desirable by Utility in connection with the construction and installation of the Facilities contemplated by this Agreement; and,
3. Developer will convey to the Utility or otherwise vest in the Utility such right, title and interest in and to such real estate as may be reasonably necessary to permit the Utility to carry out the terms and conditions of this Agreement; and,
  4. Developer will convey to Utility or provide by recorded subdivision plats such easements or rights of way as the Utility may reasonably require for the Utility's performance of its obligations under this Agreement. Any such plats, conveyances or licenses will be in form reasonably satisfactory to Utility's legal counsel.

## ARTICLE II

### Obligations and Construction of Facilities by Developer

1. Facilities  
Developer shall construct and install all necessary water distribution and wastewater collection facilities to serve the Property, including but not limited to mains, valves, fire hydrants, service laterals, meter boxes, meters, manholes, odor control devices, lift station(s) with emergency generator(s), and other facilities as are reasonably required to provide adequate water and wastewater service (hereinafter referred to as the "Facilities"). These lots will utilize an existing six (6) inch water distribution main along Pine Moss Lane to provide water service to the property at a point as determined by Utility. Wastewater collection mains will have a minimum diameter of eight (8) inches, except where otherwise approved by Utility. Developer shall install and connect to a gravity sewer manhole of the existing gravity sewer collection system at the rear of the lots facing Pine Moss Lane at a point as determined by Utility. For those lots unable to gravity feed into the collection main, individual privately-owned and maintained lift stations with privately-owned force mains will be required.
2. All materials used by the Developer for said Facilities shall be new, first-class, and suitable for the uses made thereof. Developer guarantees all construction, materials, workmanship, and the trouble-free operation of the Facilities (or any portion of the Facilities) for one year after the Facilities (or such portion of the Facilities) are placed in service.
3. All Facilities constructed and installed by Developer pursuant to this Article II shall be constructed and installed without cost or expense to Utility.
4. All plans, specifications and construction of the Facilities shall be in accordance with applicable standards, requirements, rules and regulations of all governmental bodies and

- regulatory agencies which may have jurisdiction thereover, and shall have received the written approval of Utility before construction is begun, which approval shall not be unreasonably withheld or delayed.
5. Developer shall save and hold Utility harmless from and against all suits or claims that may be based upon any injury to any person or property that may occur in the course of the performance of the construction of the Facilities by Developer or by anyone acting on Developer's behalf, or under Developer's supervision and control, including but not limited to claims made by employees of Developer, and Developer shall, at its own cost and expense, pay all costs and other expenses arising therefrom, or incurred in connection therewith, including reasonable attorneys' fees.
  6. Developer shall obtain, with cooperation from Utility, all requisite permits and zoning and other approvals and all else required to construct the Facilities, without cost or expense to Utility.
  7. All of the Facilities installed by Developer pursuant to this Agreement shall become the property of Utility as installed, without cost or expense to Utility, with the exception of the service lines for which each residential unit shall retain ownership and maintenance responsibility. Developer shall execute all conveyances, licenses and other documents reasonably requested by Utility as necessary or desirable in its opinion to ensure its ownership of, ready access to, and operation and maintenance of the Facilities. Developer shall furnish Utility with lien waivers in a form reasonably satisfactory to Utility's counsel from Developer and from all suppliers, subcontractors and all other who furnish labor, equipment, materials, rentals, or who perform any services in connection with Facilities construction herein. Developer agrees to provide to Utility documentary evidence, in form satisfactory to Utility, sufficient to establish the original cost of the Facilities. Utility shall have, at all times, all right, title and interest in and to the Facilities.
  8. Developer shall not have the right to connect individual lot service connections to the Facilities until such time as the Facilities have been formally accepted by the Utility, written approvals have been received from all governmental bodies and regulatory agencies which may have jurisdiction thereover, and all applicable connection fees have been paid.
  9. All connections must be inspected by the Utility prior to backfilling and covering of any pipes. Written notice to the Utility requesting an inspection of a connection shall be made at least forty-eight (48) hours in advance of the inspection, excluding weekends and official Utility holidays.
  10. Should the Developer fail to comply with the foregoing inspection provisions, Utility

may refuse service to a connection until such time as the appropriate inspections have been completed.

11. Developer shall, prior to the transfer to Utility of the Facilities, grant permanent, assignable easements satisfactory to Utility, without cost or expense to Utility, authorizing Utility to own, operate and maintain the Facilities throughout the Property and providing reasonably adequate rights of access and working space for such purposes.
12. Developer shall, upon transfer to Utility of the Facilities, provide to Utility as-built drawings, and all other information (by both hard copy and electronic copy), reasonably required to operate, maintain, and repair the Facilities.
13. Developer shall submit to Utility upon execution of this Agreement a Plan Review Fee of three hundred dollars (\$300) for each phase of the development. Developer shall, prior to the final acceptance of each development phase, or portions thereof, submit to Utility a one hundred fifty dollar (\$150) Inspection Fee. Should the Facilities require additional inspection(s) due to improper installation, defective or unapproved materials, the Developer shall pay one hundred fifty dollars (\$150) for each additional inspection required.
14. Upon Developer's satisfaction of its obligations under this Agreement, Utility agrees to reserve adequate utility capacity for up to four (4) water and wastewater connections located within the Property.
15. Developer shall pay and deliver to Utility the sum of money which is the non-recurring service connection and plant impact fees ("Tap Fees") provided for under Utility's rate schedule, as may be approved by the Public Service Commission of South Carolina and in effect from time to time, multiplied by the Single Family Equivalent ("SFE") rating set forth therein. For the project which is the subject of this Agreement, that sum shall be \$5,600.00 which is based upon an estimated four (4) SFEs and the Utility's current rate schedule. This payment shall become due and payable upon execution of this Agreement. Should it be determined that the project contemplated by this Agreement consists of a greater number of SFEs than is estimated hereinabove, then and in that event Developer shall be required to pay an additional sum to Utility for each additional SFE using the calculation provided for hereinabove conditioned upon first receiving the approval from Utility for such increase in SFEs. In addition, Developer agrees that it will not represent to any third party that utility service is available from Utility for use within the proposed development except (1) upon Developer's payment of the Tap Fees as provided hereinabove, and (2) establishment of service and an account between said third



party and Utility, including payment of all fees and charges authorized under the Utility's approved rate schedule excepting tap fees.

### ARTICLE III

#### Representations and Warranties of Developer

1. Developer will not, and will not permit by restricted land covenant, any owner of real estate within the Property to construct or maintain any private well in the Property.
2. Neither Developer nor any entity or individual affiliated with Developer has executed or will execute any agreement with any lot purchaser in the Property, or any other parties or made any representations to any such purchasers or other parties whereunder such purchaser or other parties have acquired any interest in Facilities to be installed under this Agreement.

### ARTICLE IV

#### Utility Services, Connection Fees, Rates and Charges

1. Prior to the commencement of utility service, lot owners within the Property are responsible for the payment to Utility of all applicable water and sewer fees, as well as the appropriate York County water and sewer tap-on or service fees at the rate as in effect from time to time prior to the provision of utility service to any lot within the Property. Such fees, usage and all other incidental rates and charges shall be rendered by Utility in accordance with Utility's rates, rules and regulations and conditions of service on file with the South Carolina Public Service Commission (the "Commission") from time to time and then in effect. Capacity shall not be reserved for any lots for which the tap fee has not been paid.
2. Upon installation and acceptance of the Facilities and payment of all applicable connection fees, Utility agrees to supply all customers within the Property with adequate and customary water and wastewater service and to operate, maintain and repair all Facilities as indicated herein, after acceptance by Utility and issuance of operational approvals by all regulatory authorities.

### ARTICLE V

#### Commission Approval

1. Within thirty (30) days following the execution of this Agreement, Utility will file an application with the Commission requesting approval of this Agreement, if necessary.

Developer agrees to cooperate with Utility in any proceeding resulting from such application and to reimburse Utility its reasonable attorney fees, costs and litigation expenses incurred for such filing, and in addition, in the event such application is litigated by the Office of Regulatory Staff or opposed by third parties. All terms and conditions contained herein are subject to Utility receiving said approvals from the Commission.

## ARTICLE VI

### General

1. Except as provided in this Agreement, neither party to this Agreement shall be liable to the other for failure, default or delay in performing any of its obligations hereunder, if such failure, default or delay is caused by strikes or other labor problems, by forces of nature, unavoidable accident, fire, acts of the public enemy, interference by civil authorities, acts or failure to act, decisions or orders or regulations of any governmental or military body or agency, office or commission, delays in receipt of materials, or any other cause, whether of similar or dissimilar nature, not within the control of the party affected and which, by the exercise of due diligence, such party is unable to prevent or overcome, except as otherwise provided for herein. Should any of the foregoing events occur, the parties hereto agree to proceed with diligence to do what is reasonable and necessary so that each party may perform its obligations under this Agreement.
2. The failure of either party hereto to enforce any of the provisions of this Agreement or the waiver thereof in any instance by either party shall not be construed as a general waiver or relinquishment on its part of any such provisions, but the same shall, nevertheless, be and remain in full force and effect.
3. The representations, warranties and agreements contained herein shall survive, and continue in effect. Utility agrees to indemnify Developer, its successors and assigns, and hold Developer harmless against any loss, damage, liability, expense or cost accruing or resulting from any misrepresentations or breach of any representation, warranty or agreement on the part of Utility under this Agreement; Developer agrees to indemnify Utility, its successors and assigns, and hold it and them harmless against any loss, damage, liability, expense or cost of Utility, accruing or resulting from any misrepresentation or breach of any representation, warranty or agreement on the part of Developer under this Agreement or from any misrepresentation in or material omission from any certificate or other document furnished or to be furnished to Utility by Developer.

4. This Agreement sets forth the complete understanding between Developer and Utility, and any amendments hereto to be effective must be made in writing.
5. Notices, correspondence and invoicing required hereunder shall be given to Developer and to Utility at the following addresses, or at any other addresses designated in writing by either party subsequent to the date hereof:

If to Utility:

Carolina Water Service, Inc.  
2335 Sanders Road  
Northbrook, Illinois 60062  
Attn: Ms. Lisa Sparrow  
Chief Operating Officer

If to Developer:

Mr. MP Patel  
3104 Commerce Drive  
Richburg, SC 29729

Delivery when made by registered or certified mail shall be deemed complete upon mailing. Delivery by overnight courier shall be deemed complete when delivered.

6. This Agreement may not be assigned by Developer without the written approval of Utility, which approval shall not be unreasonably withheld. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.
7. This Agreement shall be governed by the laws of the State of South Carolina.
8. If this Agreement is not executed prior to October 30, 2009, then the terms and conditions contained herein will be waived, with no further obligations or responsibilities to either party.

[Signatures Begin on the Following Page]

IN WITNESS WHEREOF, the parties hereto have set their seals the day and year above first written.

Carolina Water Service, Inc.

By: [Signature]  
Its: Vice President

Attest/Witness: VERONICA STANIS

1) Veronica Stanis, Exec. Asst.

(Print name and title, seal if applicable)

2) Leigh Ann DeBorja [Signature]

(Print name/ Signature)

Mahendra  
Mr. ~~M~~ Patel

By: [Signature]  
Its: \_\_\_\_\_

Attest/Witness:

1) Matthew D. Crawford

(Print name and title, seal if applicable)

2) [Signature] Tam Cast

(Print name/ Signature)

STATE OF South Carolina )

COUNTY OF York )

Probate

PERSONALLY appeared before me the undersigned witness and made oath that he saw the within named Mahendra Patel, as \_\_\_\_\_ of \_\_\_\_\_ sign, seal and as its act and deed, deliver the within written agreement for the uses and purposes therein mentioned, and that s/he with the other witness subscribed above, witnessed the execution thereof.

SWORN to before me this

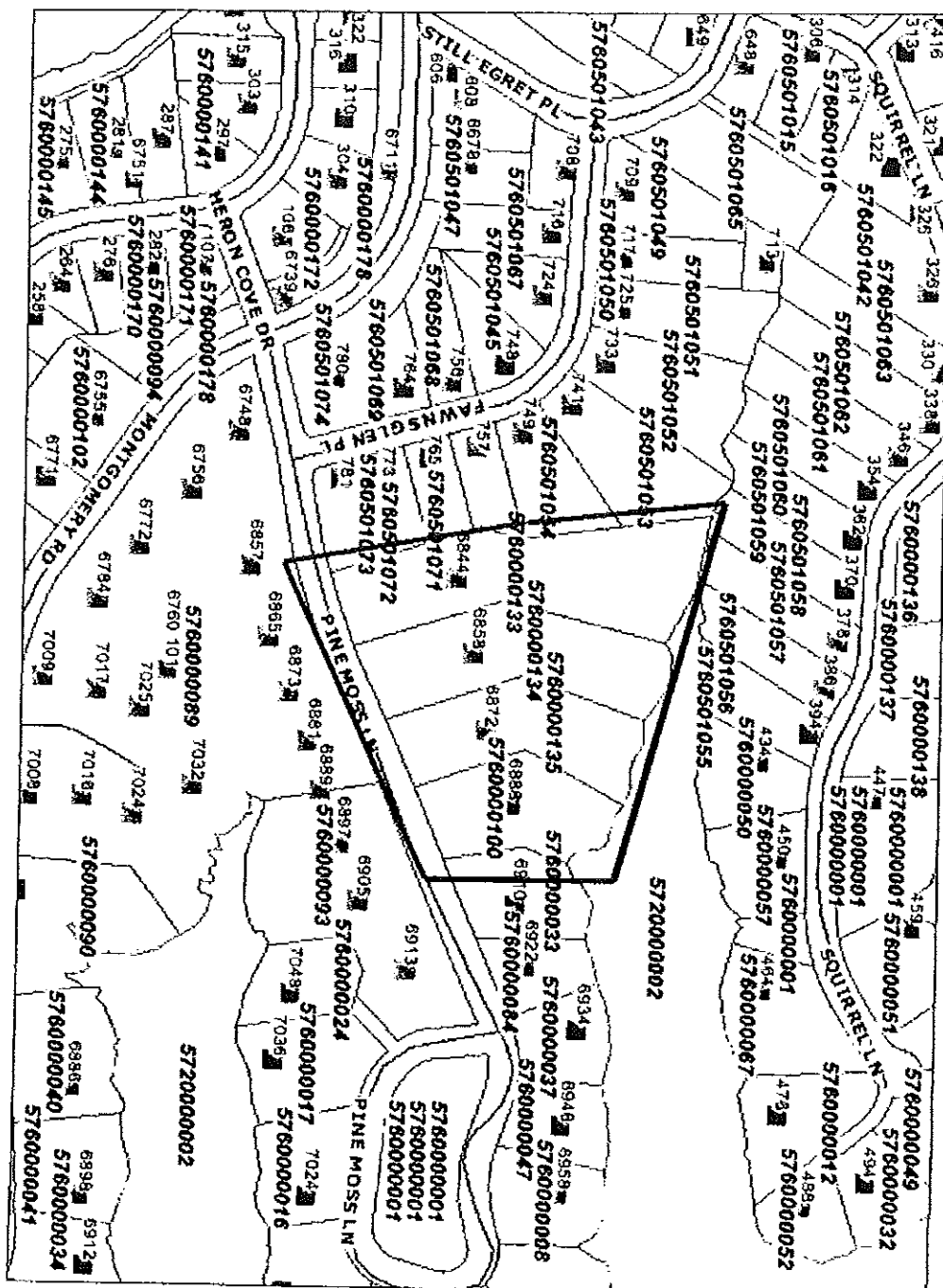
14 day of October, 2009.

[Signature]  
Witness

[Signature]  
Notary Public for South Carolina

My Commission Expires: May 07, 2018

[seal]



BEFORE

THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA

DOCKET NO. 2009-\_\_\_\_-S

IN RE:

Application of Carolina Water  
Service, Inc. for approval of a  
contract to serve property in York  
County, South Carolina.

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**CERTIFICATE OF SERVICE**

RECEIVED  
2009 NOV 19 PM 11:50  
SOUTH CAROLINA  
PUBLIC SERVICE  
COMMISSION

This is to certify that I have caused to be served this day one (1) copy of **Carolina Water Service, Inc.'s Application** by placing same in the care and custody of the United States Postal Service with first class postage affixed thereto and addressed as follows:

Honorable C. Dukes Scott  
**Office of Regulatory Staff**  
Post Office Box 11263  
Columbia, South Carolina 29211

*Clark Fancher*

Clark Fancher

Columbia, South Carolina  
This 19<sup>th</sup> day of November, 2009.